GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:833
ANSWERED ON:25.07.2003
SHARES OF PUBLIC SECTOR BANKS
NAWAL KISHORE RAI;RAMJI LAL SUMAN;SUSHIL KUMAR INDORA;V. SAROJA

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have taken notice of the volatile trend in public sector bank shares in the month of June, 2003 and had asked the Securities and Exchange Board of India (SEBI) to study the trading pattern in these stocks and urgently submit a report;

(b) if so, the details thereof;

(c) whether the SEBI has since submitted its report in regard thereto;

(d) if so, the salient features thereof and the reaction of the Government thereto; and

(e) if not, the time by which SEBI is likely to submit its report in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) to (e): Yes Sir. SEBI have been asked to conduct investigationunder SEBI Act and rules and regulations thereunder into the volatile trend in Public Sector Bank scrips during the period April to June,2003 to ascertain whether there was any manipulation or violation on the part of any market intermediatary/ participant. A preliminary inquiry report has been received. SEBI has been asked to complete the investigation expeditiously.